

City Manager's Development Forum

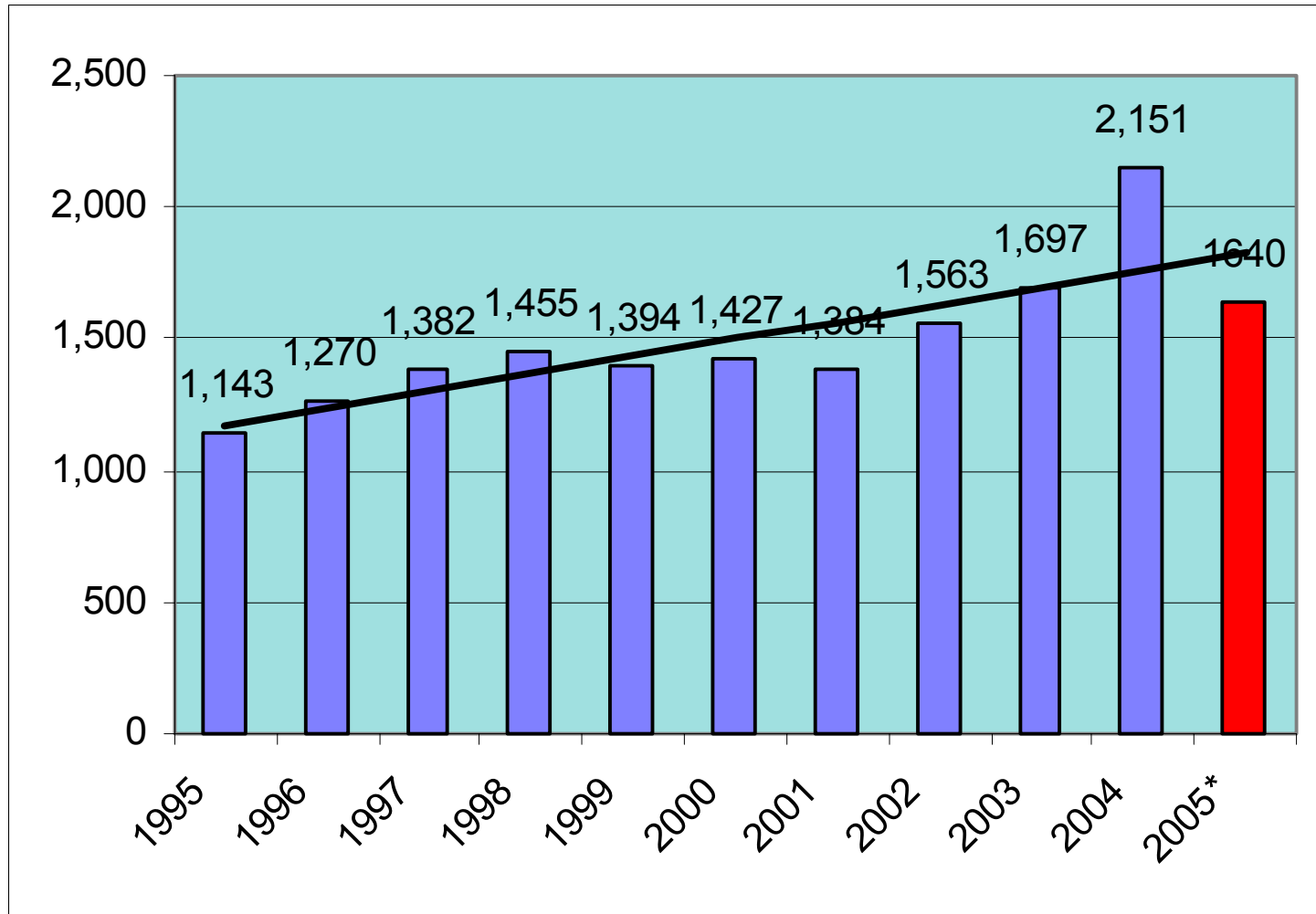
November 18, 2005

A stylized, layered mountain range graphic in shades of teal and blue, located in the bottom right corner of the slide.

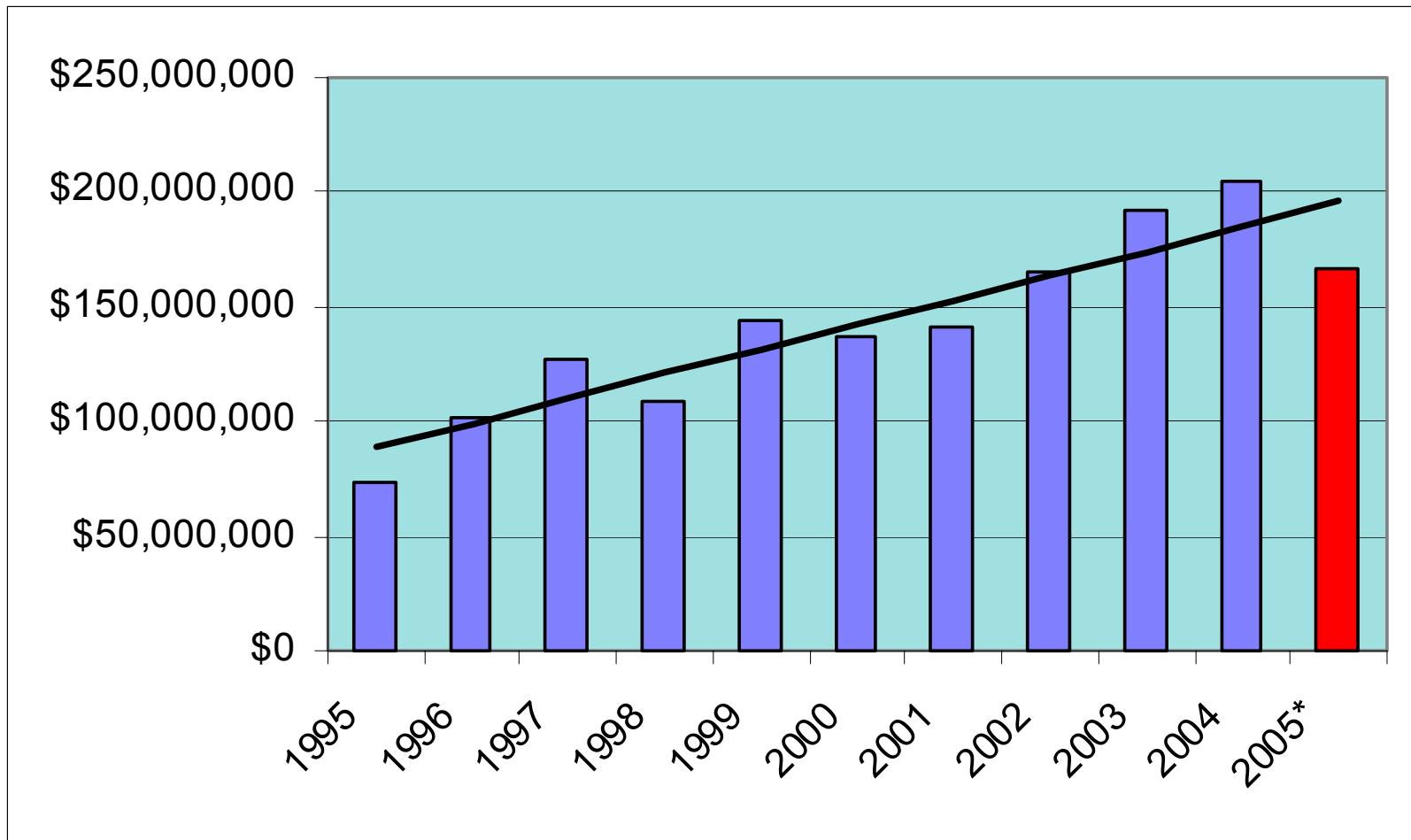
Development Trends

- Building permit activity
- Project highlights
- Plan reviews and subdivisions
- Locations
- Demographic trends
- Focus – accessory apartments

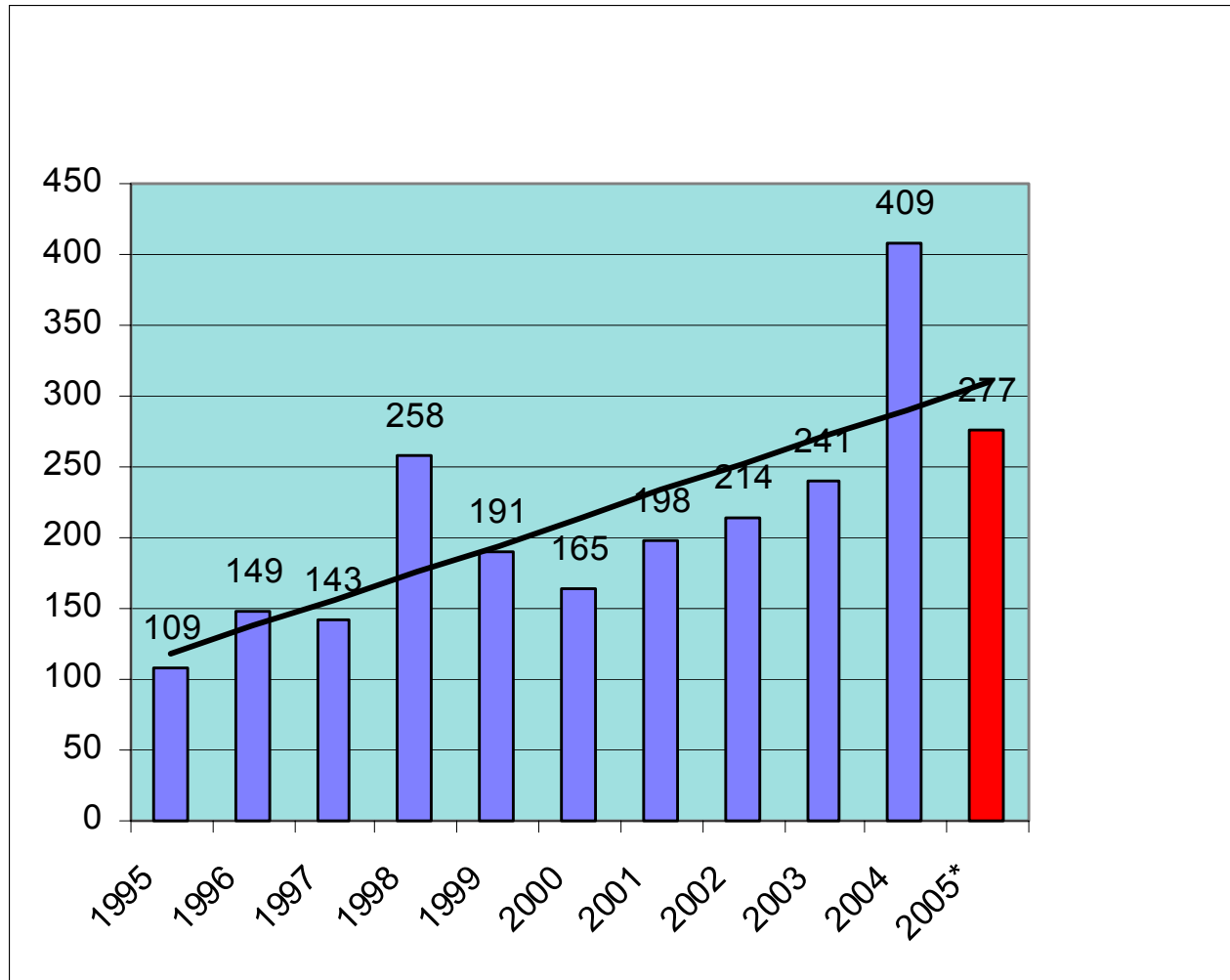
Total Permits Issued 1995-2005



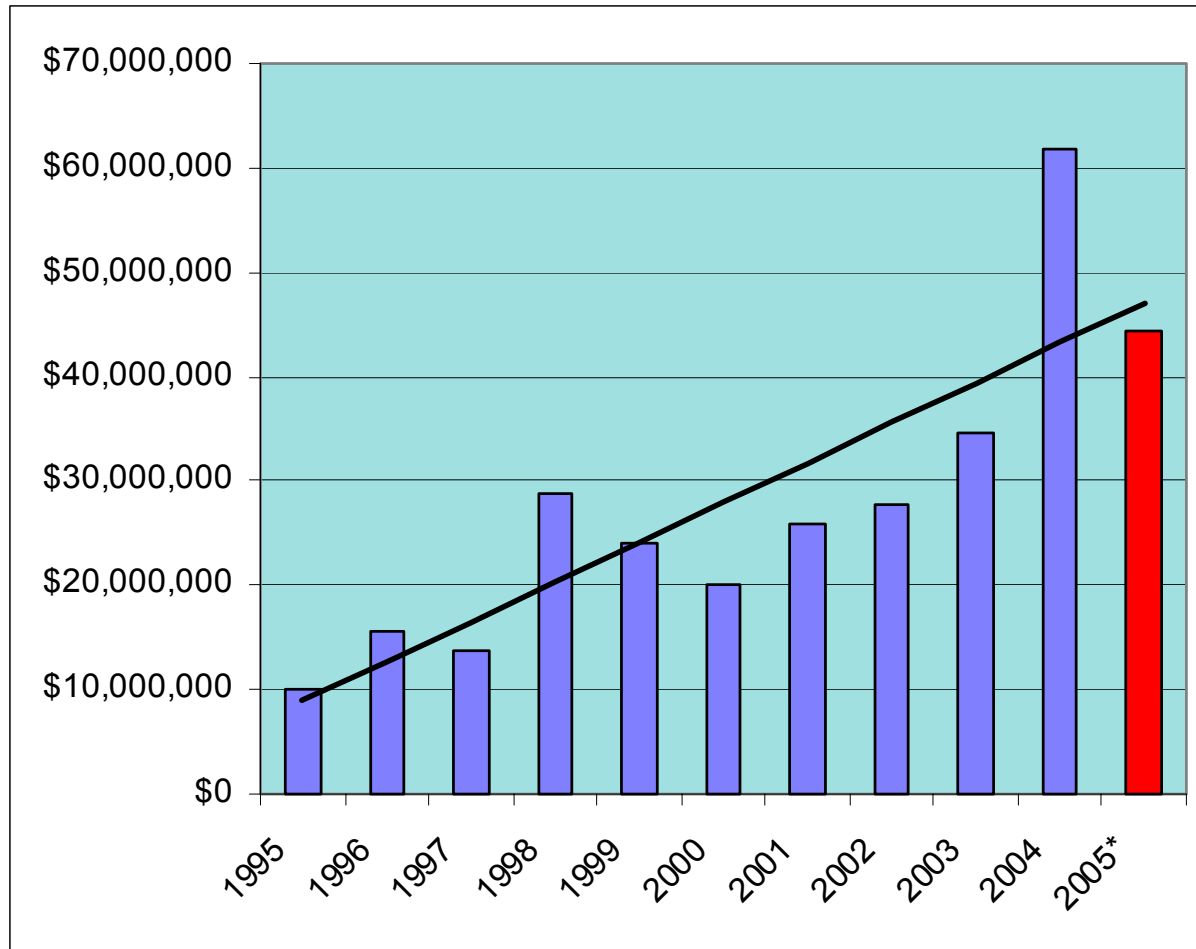
\$ Value Total Permits Issued 1995-2005



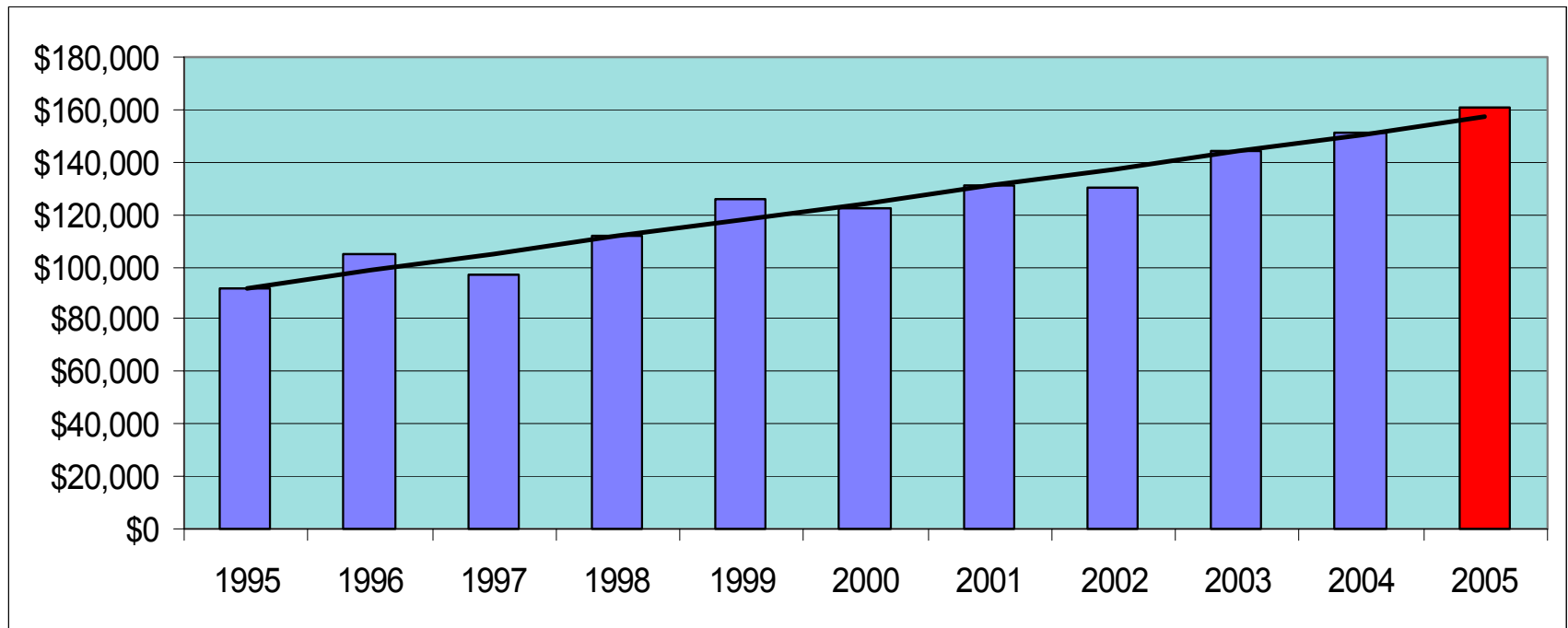
New Single Family Residences 1995-Oct. 2005



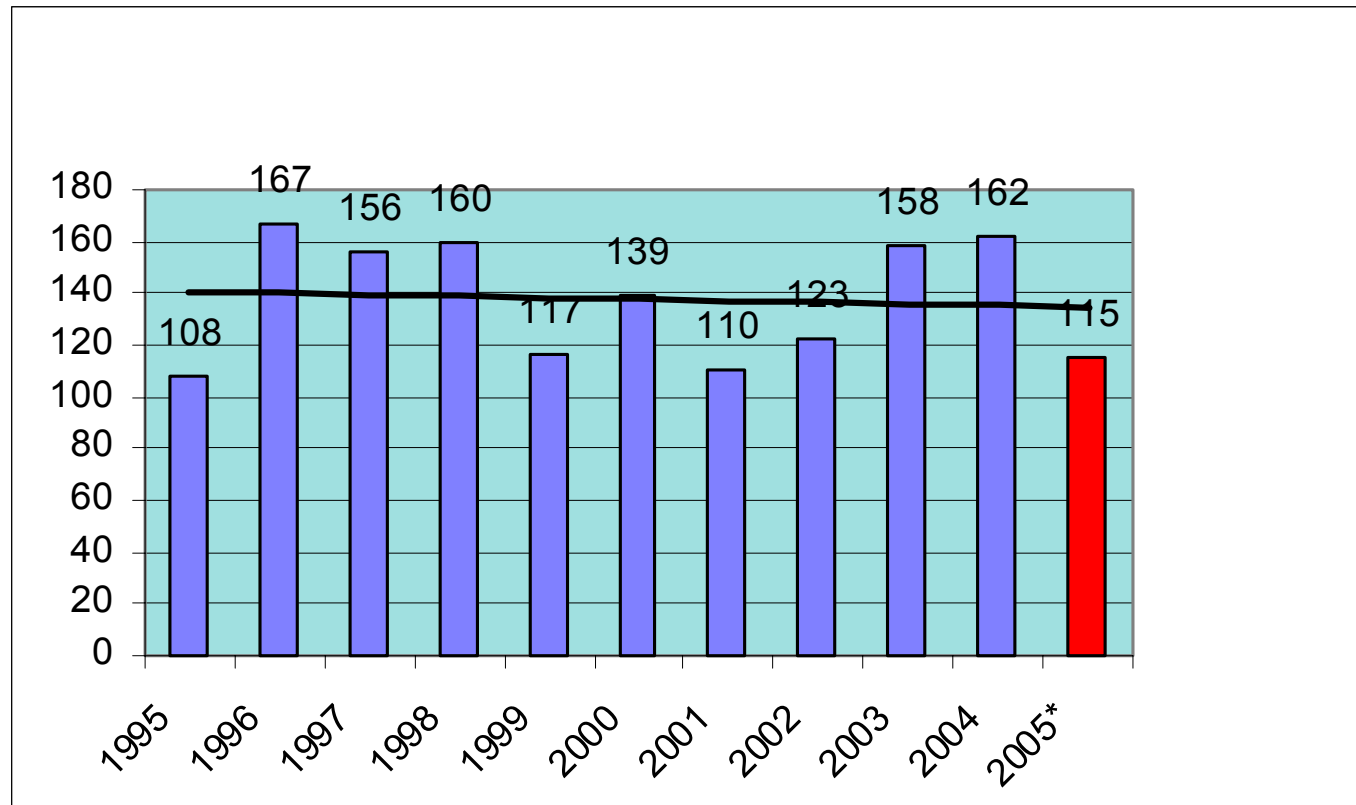
\$ Value New Single Family Residences 1995-Oct. 2005



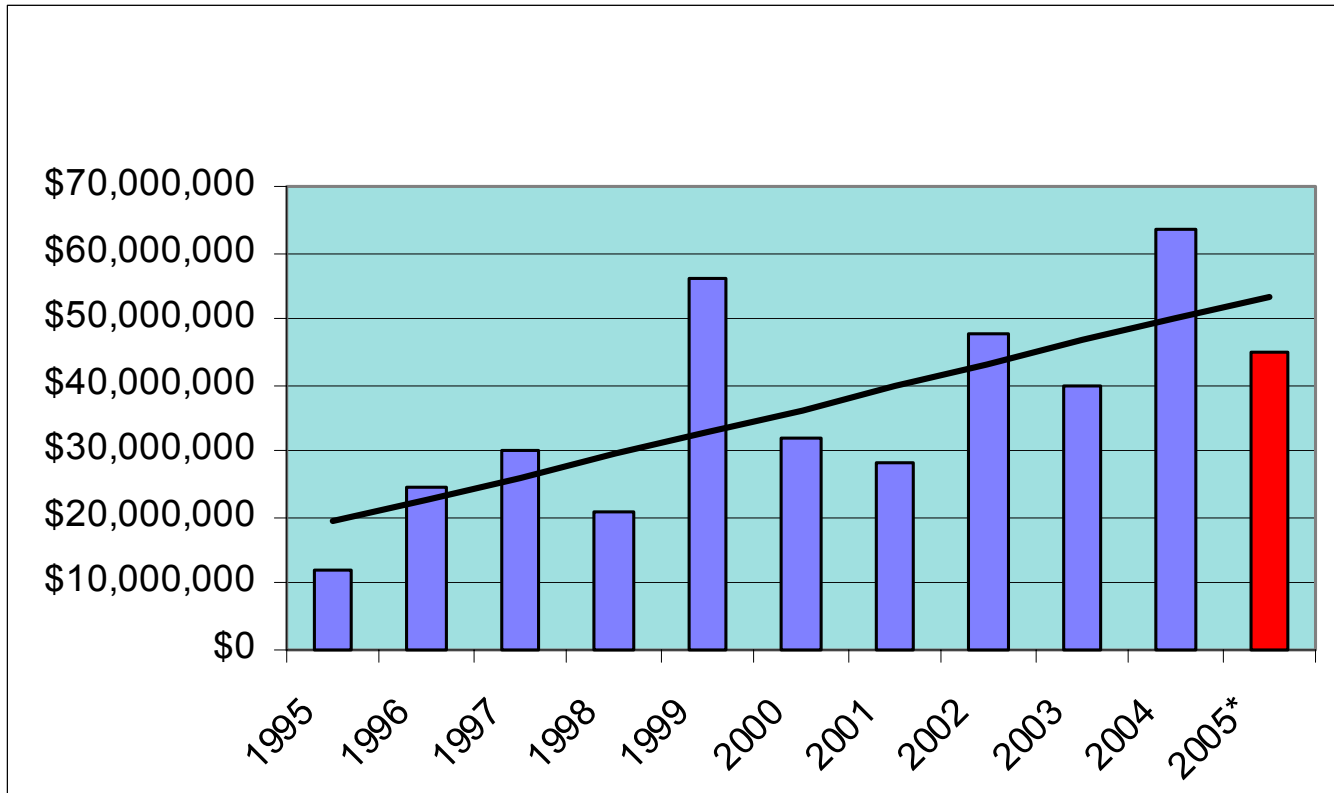
New Residential Average Estimated Cost



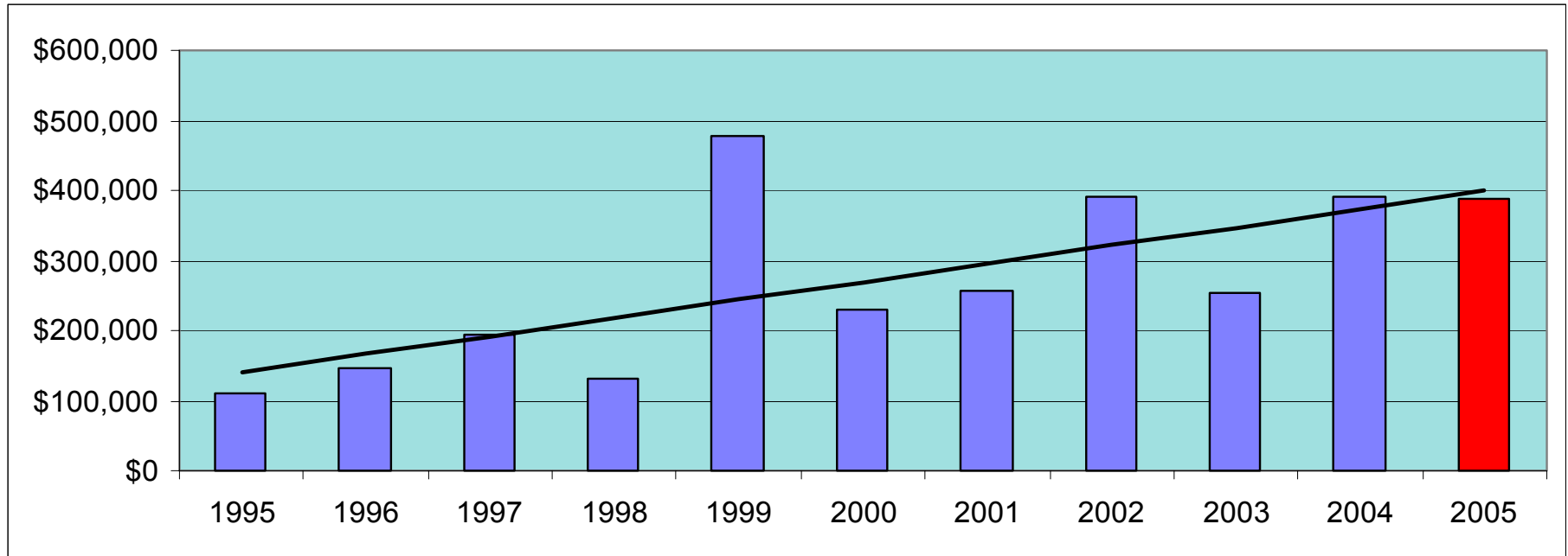
New Commercial 1995-Oct. 2005



\$ Value New Commercial 1995-Oct. 2005

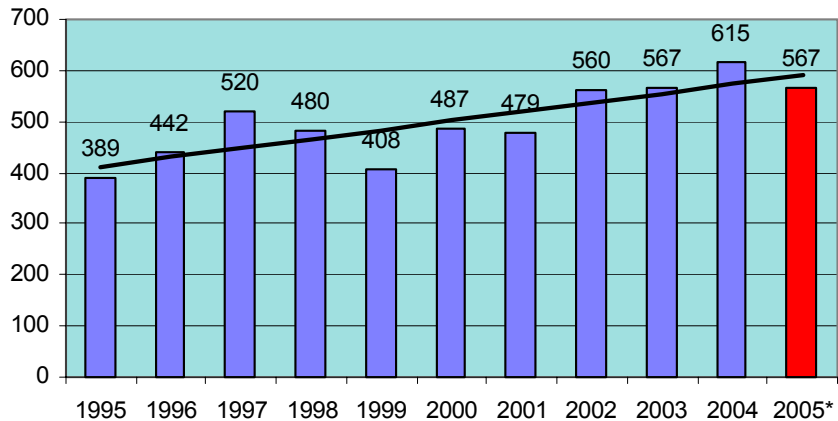


New Commercial Average Estimated Cost

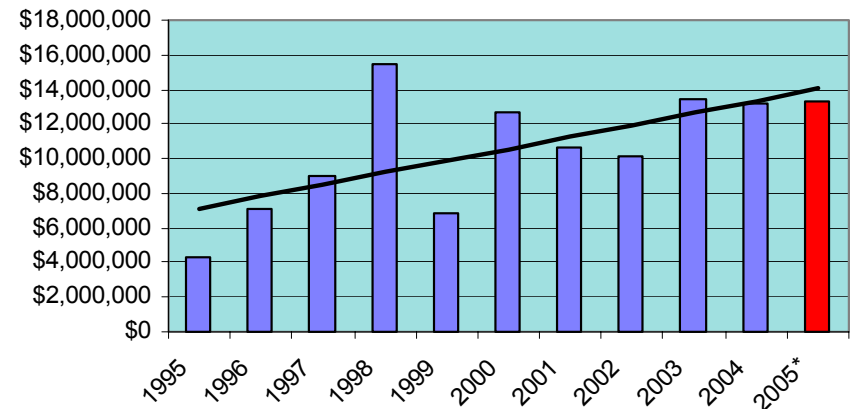


Remodel/Addition - Residential

Residential Remodel/Addition 1995 - Oct. 2005

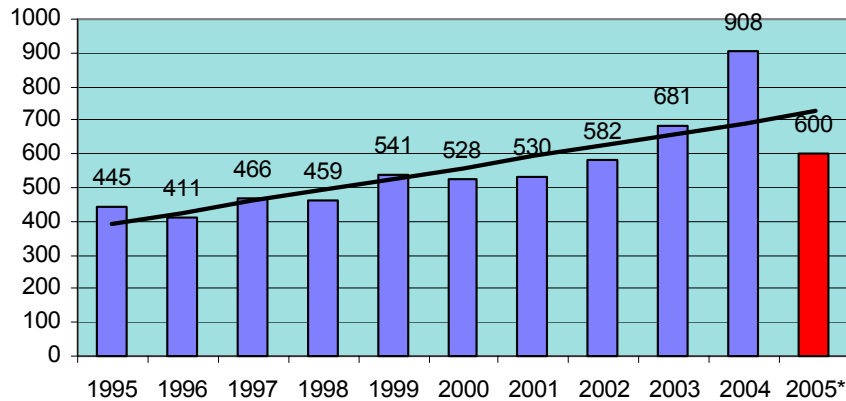


**\$ Value Residential Remodel/Addition
1995 - Oct. 2005**

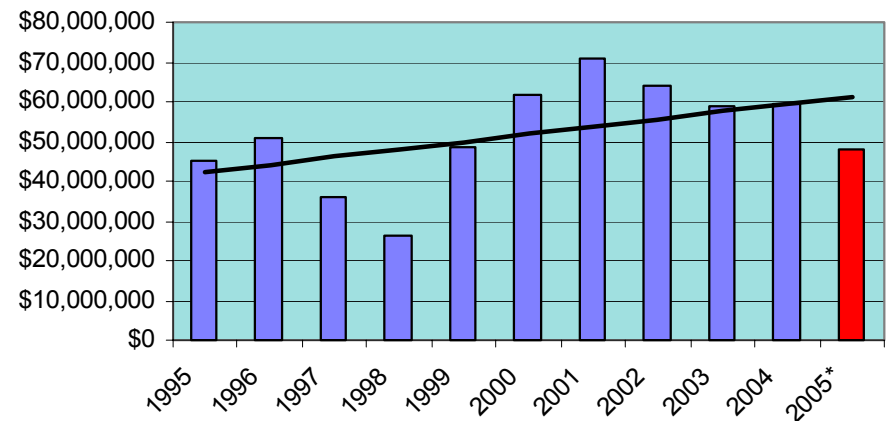


Remodel/Addition - Commercial

**Commercial Remodel/Additions
1995 - Oct. 2005**

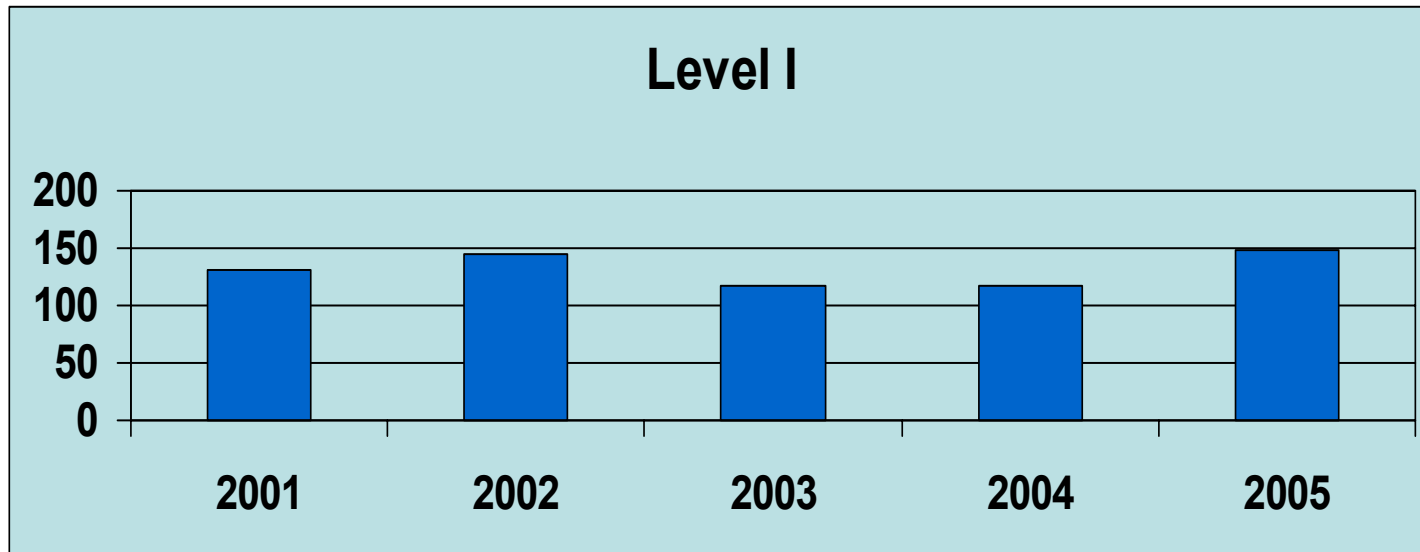


**\$ Value Commerical Remodel/Addition
1995 - Oct 2005**



Planning & Development Department Permits & Applications

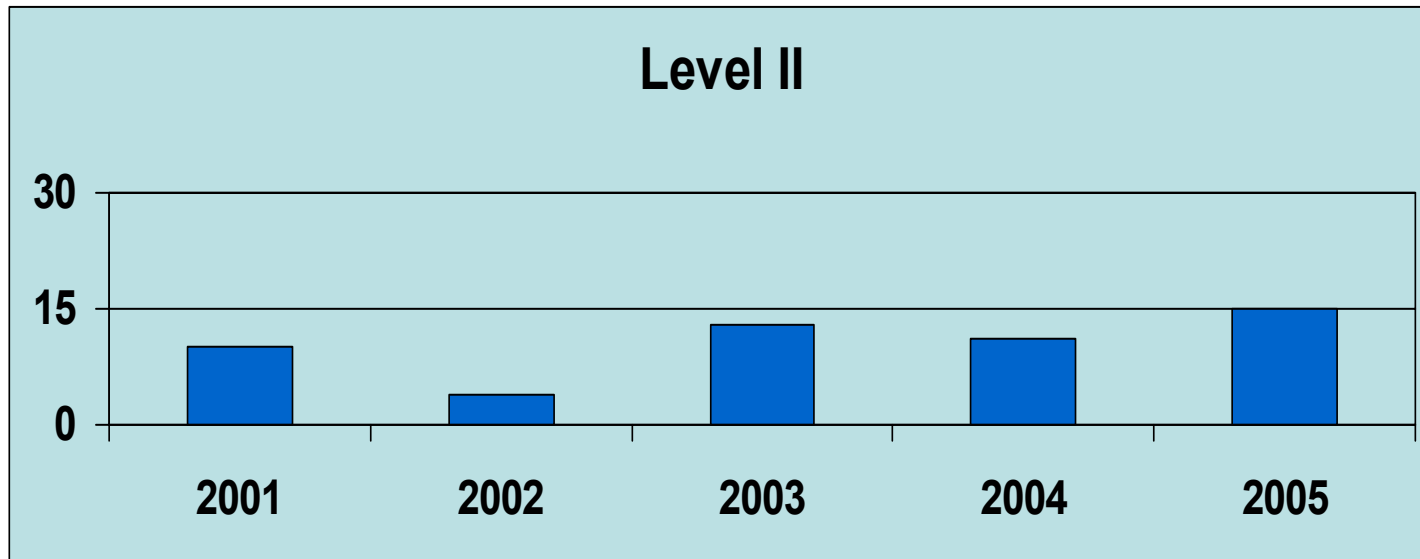
Level I and Level II (medium) projects



27% increase in last 2 years

Planning & Development Department Permits & Applications

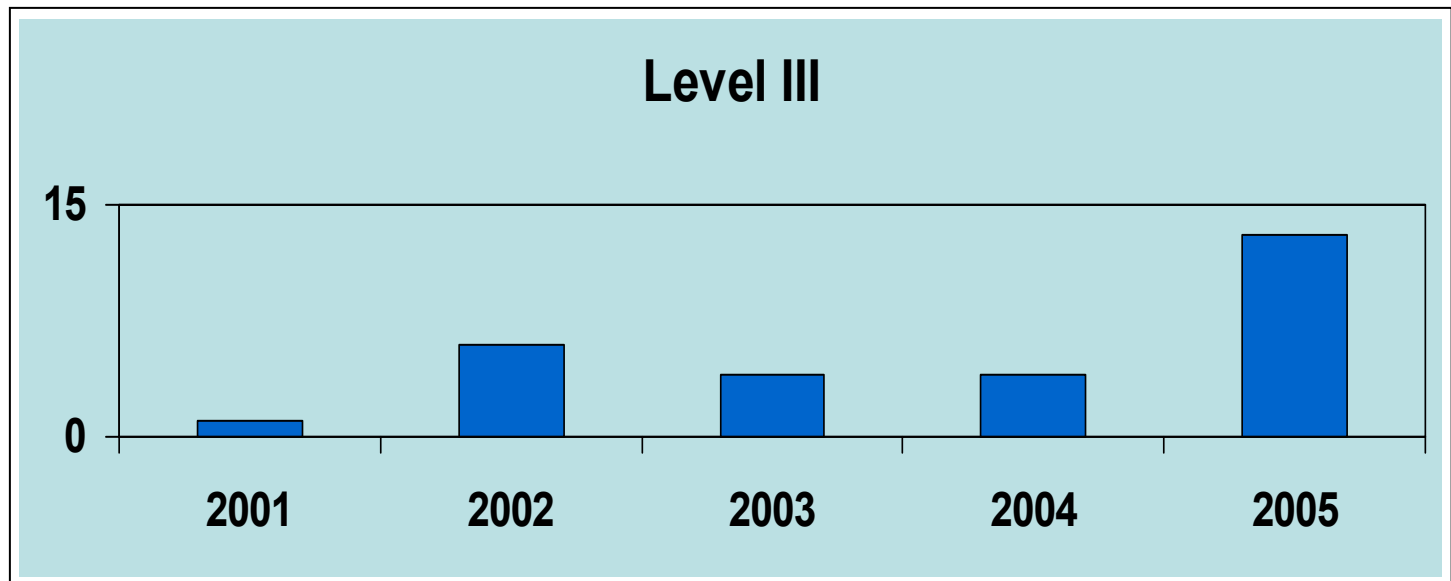
Level I and Level II (medium) projects



Total medium projects: 14 applications per month

Planning & Development Department Permits & Applications

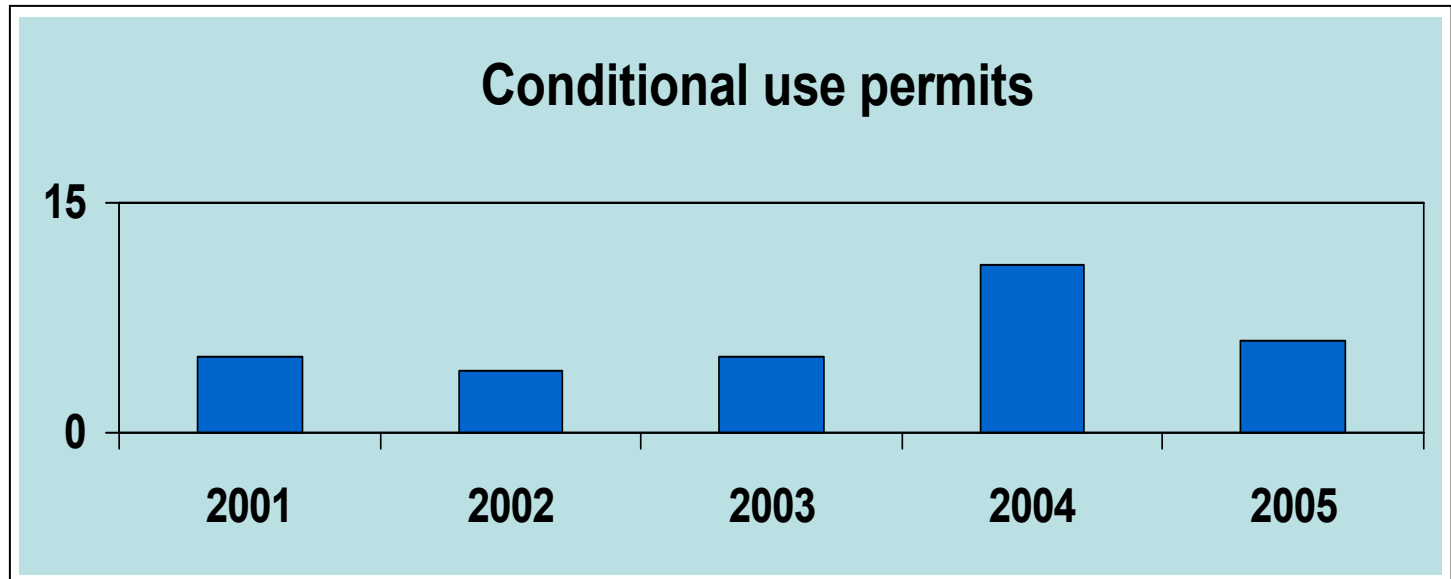
Major projects



13 projects as of Nov. 18 – as many in 2005 as in
last 4 years combined

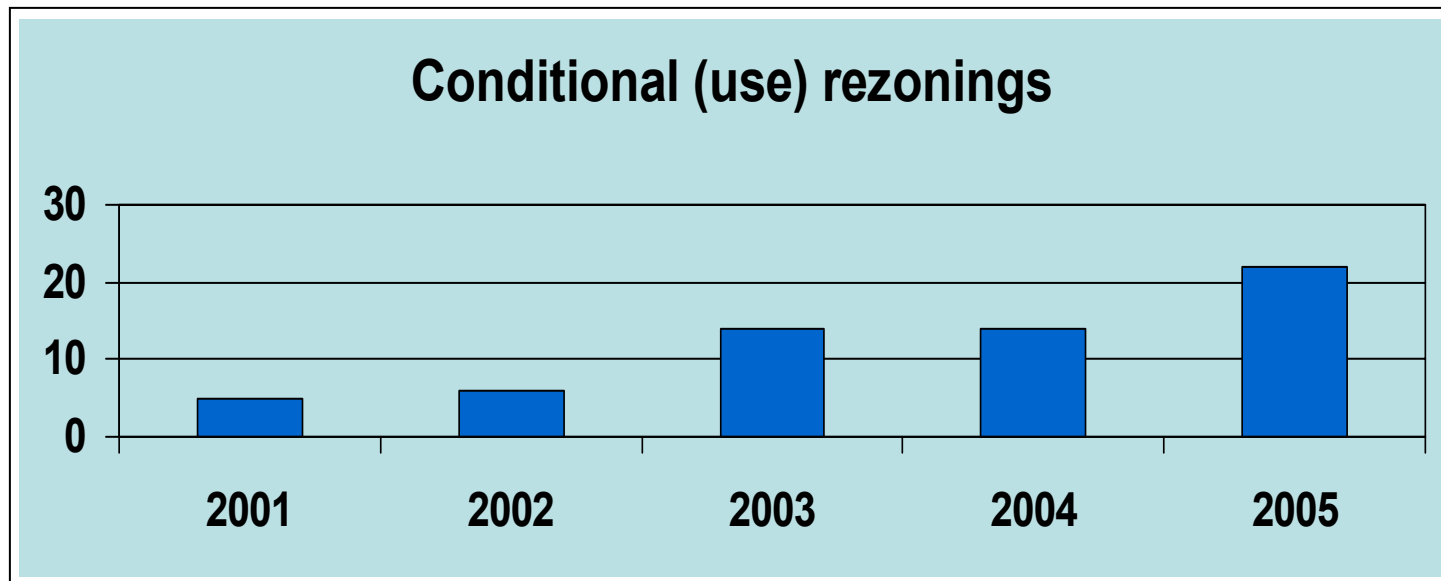
Planning & Development Department Permits & Applications

Major projects



Planning & Development Department Permits & Applications

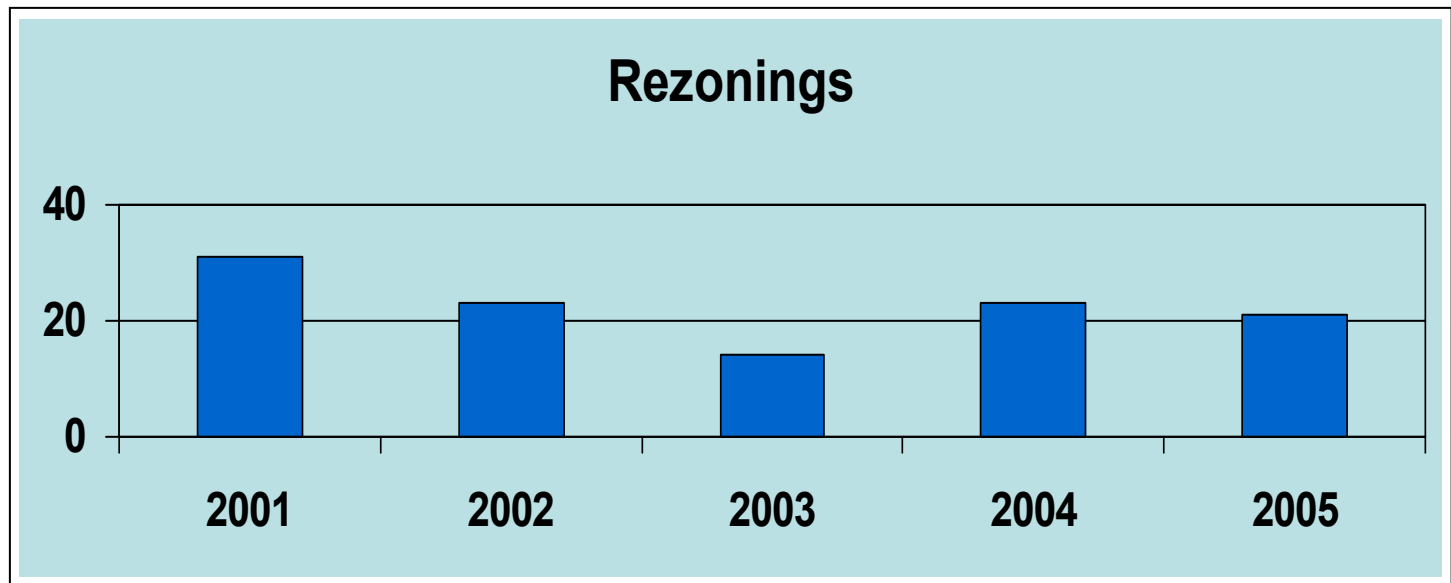
Major projects



22 applications as of Nov. 18 – a 57% increase over last 2 years

Planning & Development Department Permits & Applications

Major projects



Total major projects: 5 applications per month

Project Highlights

- Homewood Suites – Tunnel Road
- Total square footage 71,811
- 94 rooms
- Construction estimated value: \$5,716,225



Project Highlights

- Holiday Inn – Tunnel Road
- Total square footage 73,562
- 120 rooms (25 suites)
- Estimated value: \$5,564,371



Project Highlights

- 12 Lexington Avenue
- Total square footage 67,115
- 1 retail space, 1 office floor, 33 residential units on 4 floors
- Estimated value: \$5,586,000



Project Highlights

PROJECTS RECENTLY APPROVED

- Sisters of Mercy Subdivision – Kenilworth. 10 parcels (5 residential/5 institutional) on 18.6 acres of property split-zoned RS-2 and INST.
- Biltmore Point – Fairview Road. 136 affordable housing units on approximately 13 acres. This multi-family residential development consists of 68 duplex condominiums.
- Office/Retail Building – Merrimon & Fenner Avenues. Redevelopment of former BK site for a two-story commercial/office building of 14,400 square feet on a 1.8 acre parcel.
- Asheville Regional Airport – Expansion of airport facilities including an operations building (3,600 square feet), maintenance shop (8,468 square feet), and two storage buildings (3,360 and 3,500 square feet).
- Beaucatcher Condominiums – off Tunnel Road. 106 condominium units in a multi-family residential building of 163,600 square feet.
- Four Seasons Plaza – Tunnel Road. Retail/office building of 22,000 square feet.

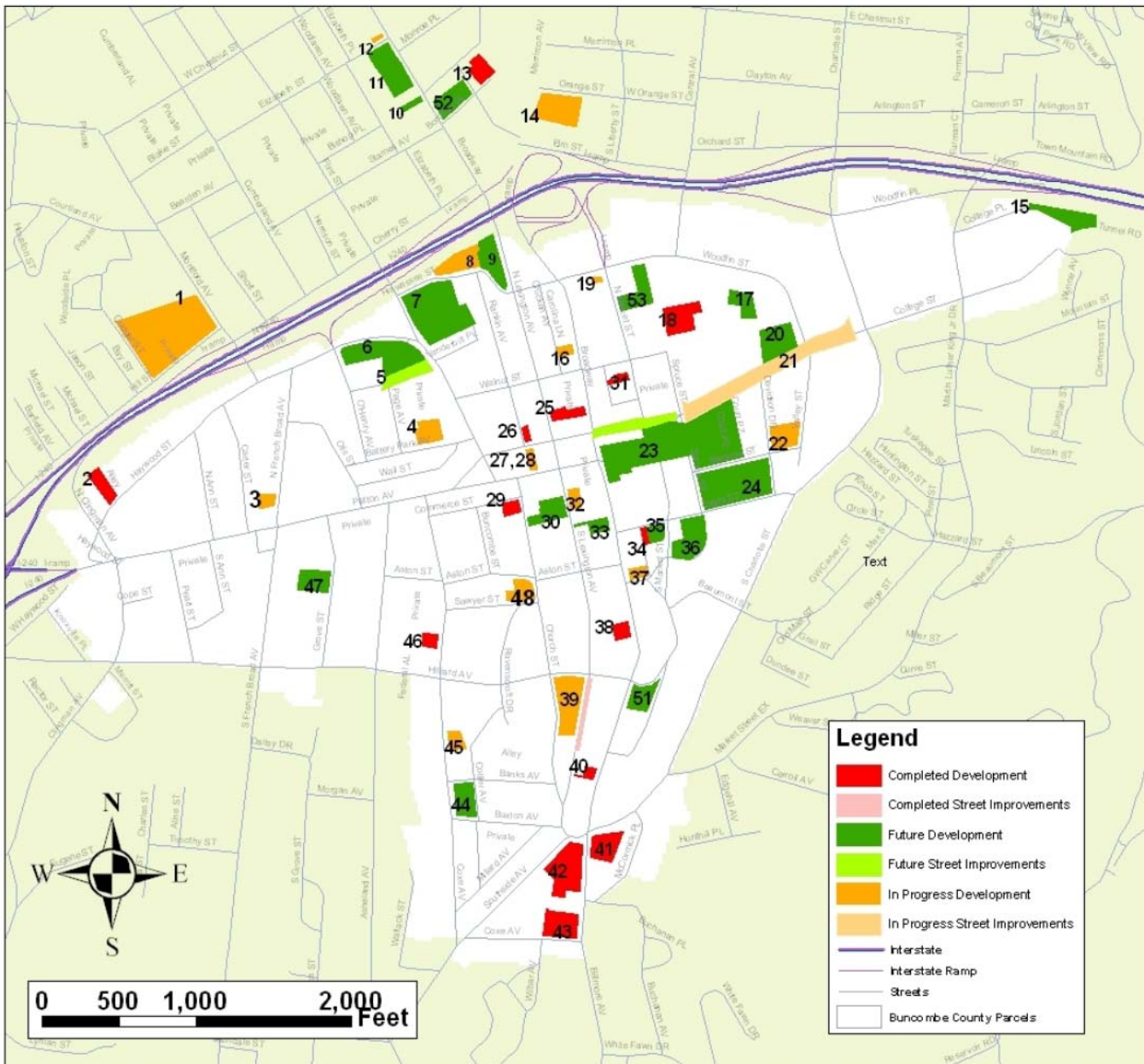
Project Highlights

PROJECTS PRESENTLY UNDER REVIEW

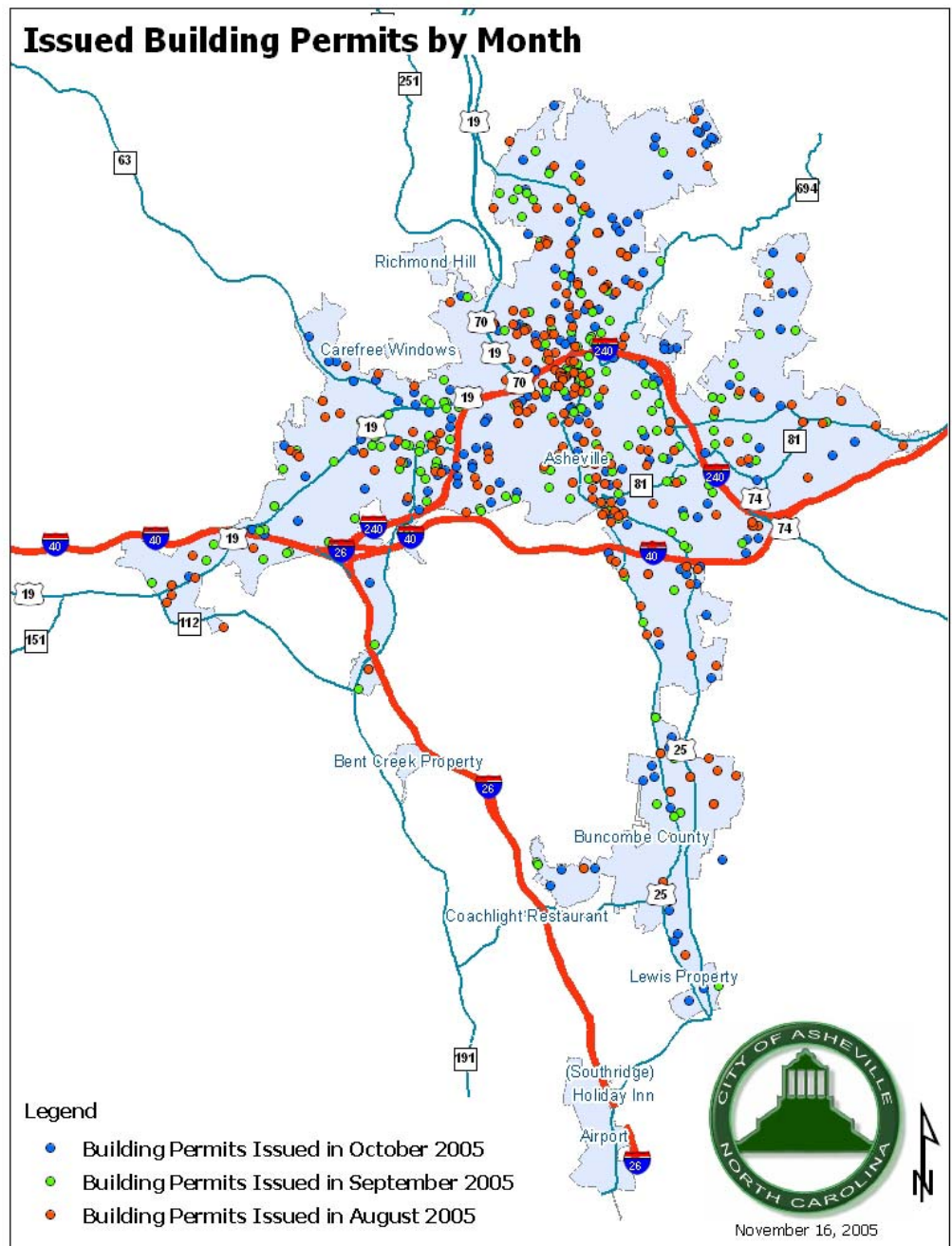
- Wal-Mart Super Center – Smoky Park Hwy., next to Lowe's. Freestanding retail store with almost 185,000 square feet.
- The Dixon on Biltmore – Biltmore & S. Market/Hilliard. 12-story, mixed use building containing 48 residential condominiums and 40,000 square feet of office/commercial space.
- 60 N. Market Street – 9-story, mostly residential building containing 75 residential condominiums and 6,000 square feet of office/commercial space.
- Mills Creek Condominiums – Mills Gap Road. 75 unit townhouse condominium development on 9.75 acres.
- Holiday Inn Express – 412 Hendersonville Road. 81-room hotel.

Development Projects

- Central business district and surrounding area
- As of September 2005



Building permits August- October 2005



Demographic Trends: Population

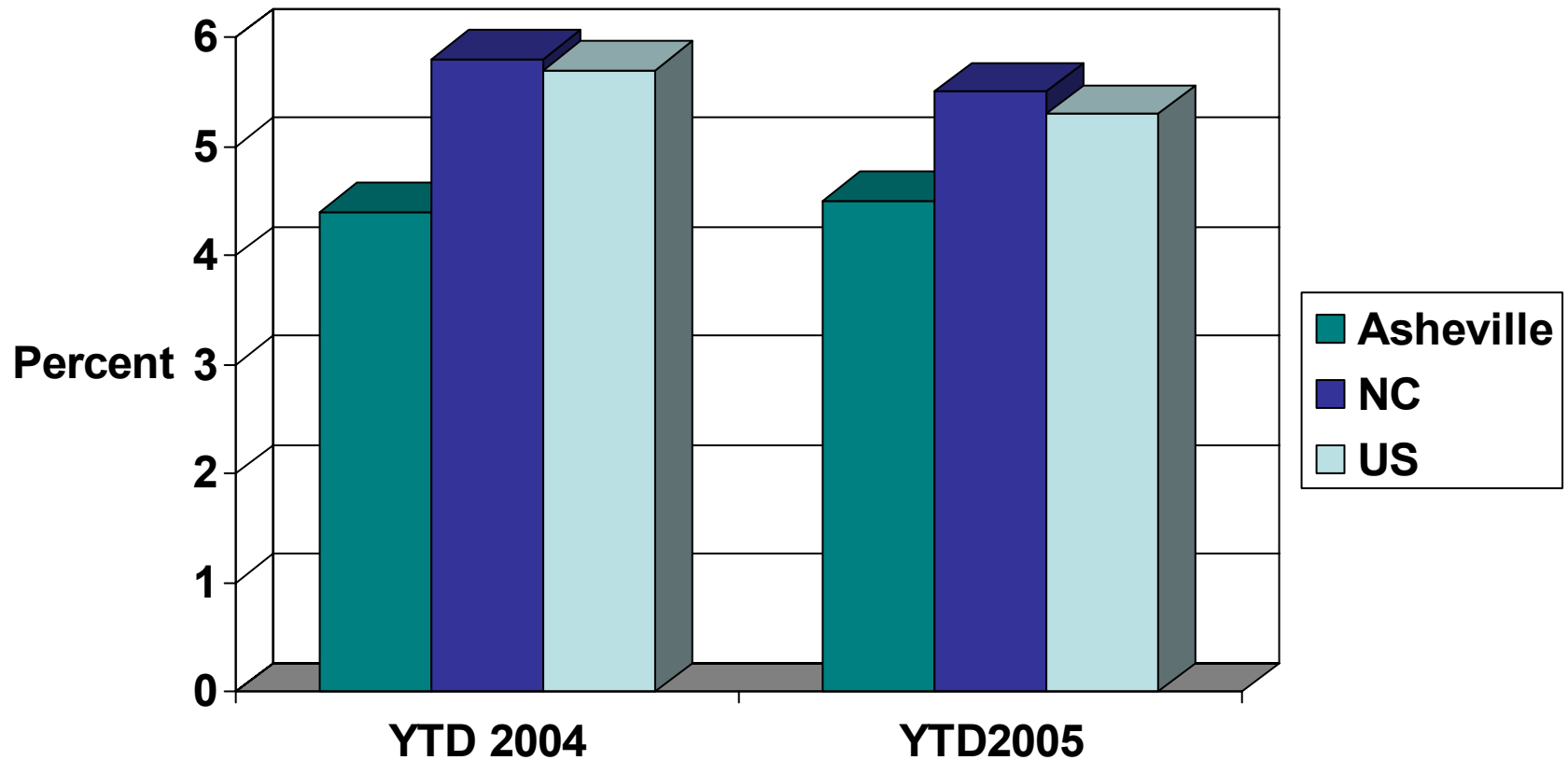
				Percent change	
<u>1990</u>	<u>2000</u>	<u>2005</u>	<u>2010</u>	<u>1990- 2000</u>	<u>2005- 2010</u>
65,023	68,889	69,308	69,937	5.9%	0.9%

1990 and 2000: US Census

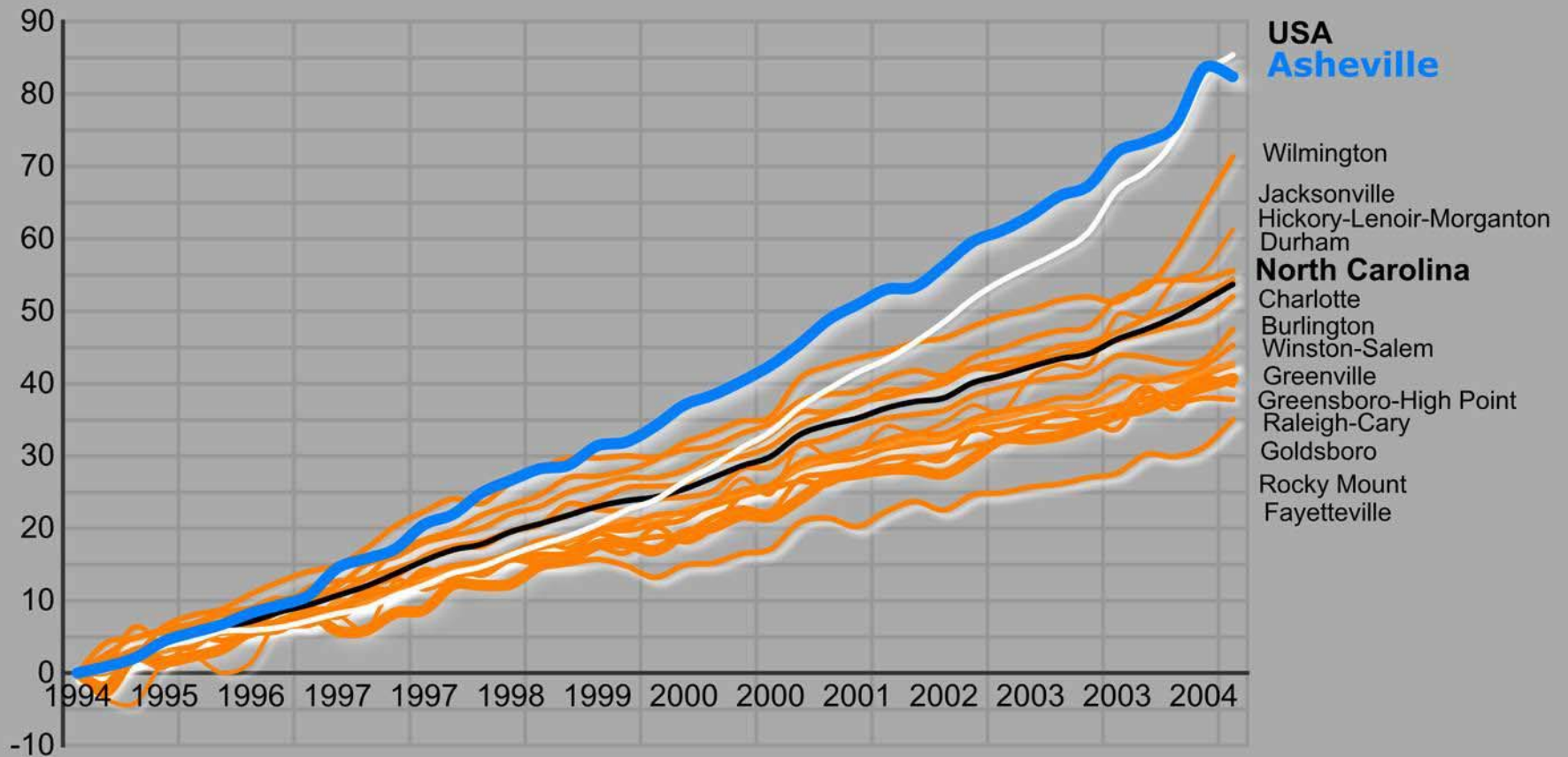
2005 estimate

2010 projection

Trends: Unemployment

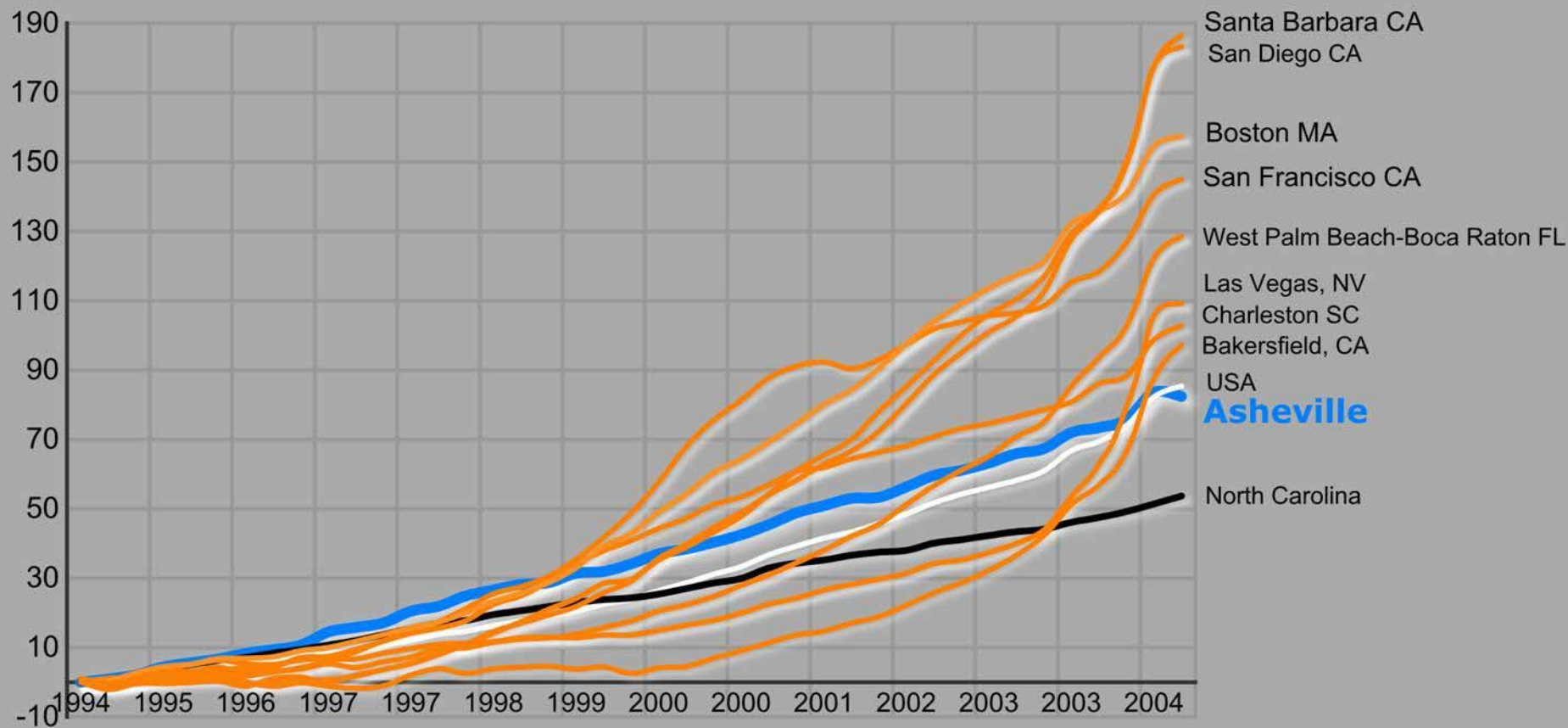


Trends: Home Appreciation North Carolina Cities



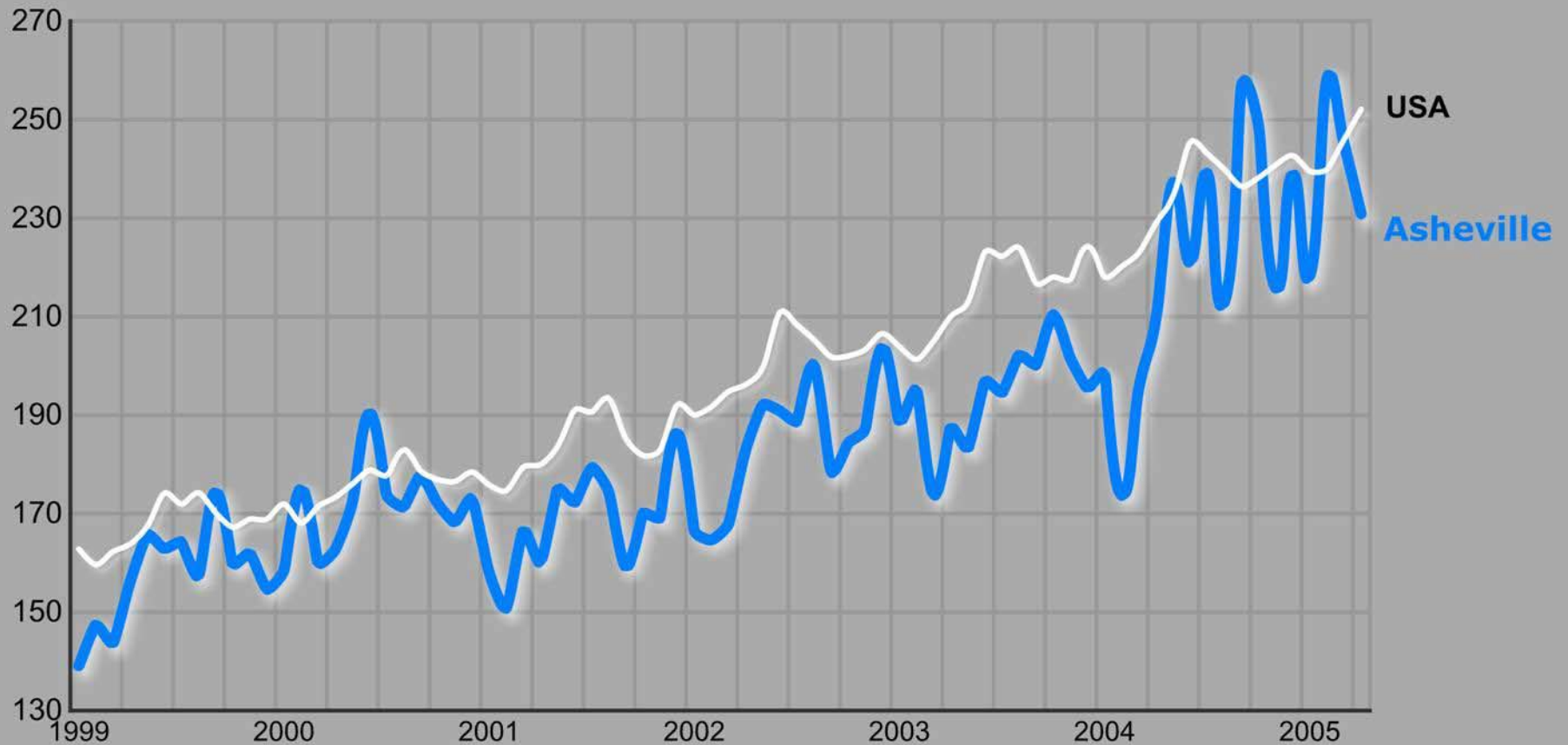
Courtesy Asheville Metro Business Research Center

Trends: Home Appreciation Selected Cities



Courtesy Asheville Metro Business Research Center

Trends: Home Appreciation National Average



Courtesy Asheville Metro Business Research Center

Accessory Apartments

- Provision adopted by City Council in 2003 in response to recommendations from the Affordable Housing Task Force.
- Allows an accessory apartment to be established on any residentially zoned property containing one single-family residence.
- An accessory unit is limited in size to 500 square feet or 25% of the size of the primary residence, whichever is greater.
- An accessory apartment can be used as a “mother-in-law” apartment, rented out, or even sold as a condominium unit.
- The apartments have taken the form of separate cottages, garage apartments, basement apartments, and apartments within a structure with a separate entrance.
- Accessory units can allow for greater flexibility in living arrangements, offer affordable housing alternatives, and provide additional income to help homeowners make mortgage payments.

Has the accessory apartment provision been successful?

- Through the use of financial incentives (CDBG/HOME) and other programs, the City of Asheville and its partners produced 75 newly constructed units of affordable housing during the past year (average of almost 100 units per year over the past 5 years).
- Another 175 units were repaired or rehabilitated for affordable housing.
- Many additional units were produced by private developers using the City's Affordable Housing Trust Fund.
- During this same time period, it is estimated that at least 65 new accessory apartments were established. These make up a significant percentage of all the affordable housing units constructed in the Asheville area.
- Although some of the accessory apartments are being established by homeowners, it appears that a majority of the accessory units are being constructed by investors.





Regulatory Update

- UDO and Code Amendments
- Water Capital Improvement Plan
- Stormwater Utility

Recent UDO Amendments

- Allow newly constructed on-street parking spaces to count toward minimum parking requirements:
 - Approval by Engineering Department, 75% credit toward parking requirements
- Replace conditional use zoning process with “conditional zoning”:
 - No longer a quasi-judicial process
 - City Council not held strictly to 7 conditional use permit standards
- Create provisions for live-work units
- Allow general retail sales in the Neighborhood Business district

Upcoming UDO Amendments

- Setting setback standards for outdoor displays and storage
- Amendments to regulations/guidelines in the Central Business District
- Revisions to downtown review process
 - Both studied and proposed by the Downtown Commission
- Development review process changes to comply with newly adopted State Planning statutes
 - Board/Council decisions reasonable and consistent with adopted plans
 - Conditional zoning conditions must be mutually agreed to by City Council and petitioner
 - Many standards for protest petitions are amended and clarified

Changes of significance include vacant or excused seats on Council shall not be calculated when figuring a supermajority, a minimum of 5% of a buffer 100 feet surrounding the property is necessary for a valid protest, and a person can withdraw his/her name from a petition at any time prior to the vote

Water Resources

The water system consists of over 1,200 miles of main water lines 2" and above.

The water system consists of over 49,000 customers in the City of Asheville, Buncombe County and Northern Henderson County.

The water system has three primary sources of water:

- North Fork - 31 MGD (million gallons per day)
- Mills River - 7 MGD
- Bee Tree - 5 MGD (currently off line)
- Save yield of 34 MGD (total of 3 plants)

Water Resources

Water Infrastructure:

- Old water lines

Many of the water lines are 100 years old

- High operating pressures

Pumped pressure is from 150 to over 640 pounds

- Types of problem water lines

Old cast iron - lead joints

Plastic lines

Asbestos concrete

Galvanized

Water Resources

Water Infrastructure: Water Line Breaks & Leaks

- Old water lines
- High pressure
- Cold weather
- Ground movement

Water Resources

Problem Areas:

- Swannanoa area - twin 16" lines
- Long Shoals Road - plastic lines
- West Asheville/Candler - plastic, asbestos, cast iron lines
- Downtown and North Asheville - cast iron and galvanized lines
- Hendersonville Road - cast iron lines
- Unaccounted for water

Water Resources

Funding concerns:

- Turbidity levels at North Fork and Bee Tree - cost could exceed \$6,500,000 - includes start up cost for Bee Tree Plant
- Twin 16" lines - cost estimated at \$750,000
- EPA mandated turbidity levels: 0.3 with anticipated level to be 0.1 in next 5 years
 - Can meet 0.3 level as long as lake(s) are not in drought conditions - cooler water produces less turbidity
 - Can not currently meet 0.1 level consistently
- Estimated cost of water line replacement needed in next 7 years is \$60 million

Water Resources

Dedicated Funding Source

- Capital Improvement Fee
- Based upon meter size
- Same principle as MSD meter maintenance fee
- Dedicated revenue stream to upgrade/replace aging water infrastructure

Capital Improvement Program Fee

Proposed Monthly Fee

- Increases revenue stability to cover fixed costs of water system
- Dedicated funding source for capital projects
- Customers support fee directly connected to reliability and sustainability of water system

Meter Size, inches	Monthly Fee, \$/mo
5/8	\$ 3.50
3/4	\$ 4.00
1	\$ 48.00
1 ½	\$ 80.00
2	\$ 140.00
3	\$ 440.00
4	\$ 770.00
6	\$ 990.00
8	\$ 1,210.00
10	\$ 1,430.00

Capital Improvement Program Fee

City Council will determine when the fee will be implemented

City Council will determine the amount of the fee, which could be the amount proposed or a lesser or higher fee schedule

Questions?

Development Advisory Committee

Asheville Home Builders Association

Asheville Board of Realtors

Asheville Commercial Real Estate Investment Assoc.

Coalition of Asheville Neighborhoods

Council of Independent Business Owners

Asheville Downtown Association

West Asheville Business Association

Affordable Housing Coalition

PENC (Professional Engineers)

Asheville Area Chamber of Commerce

Trades: Electrical/Mechanical

Environmental Eng.

Grading

Geotech

Structural

General Contractor

AIA

ASLA

Business Owner

At-Large Community

Representative

City Boards Liaisons:

P&Z

Downtown Commission

EDAC